



# **American Recovery and Reinvestment Act of 2009**

**Implementation of PPPs for Transit  
MARCH 26, 2009  
Atlanta, Georgia.**



# Purposes Of Legislation

- **Recovery**
  - Maintain and create jobs
  - Provide cash to strapped State and local economies
- **Reinvest**
  - Build and repair infrastructure



## Transit Funding in ARRA

Program	Funding
Urban Formula	\$5.97 B
Non-Urban Formula	\$760 M
Fixed Guideway Modernization Formula	\$742 M
New Starts / Small Starts	\$742 M
Tribal Grants	\$17 M
Discretionary Energy Program <b>[new]</b>	\$100 M
Discretionary Multimodal Program <b>[new]</b>	[\$1.498B]
Administration / Oversight	\$64 M
<b>Total (Transit Only)</b>	<b>\$8.4 Billion</b>

Note: Program totals adjusted for Administration and Oversight



## Key Provisions

- No waiver of FTA program requirements (planning/NEPA/Buy America/Labor Protections)
- 100% Federal share, except New Starts
- Capital expenses only are eligible
- Cannot mix Recovery Funds in same grant with any other funds
- Certain ARRA highway funds can be flexed to transit
- New grant obligation deadlines apply





## **Are You Ready for ARRA?**

- Accepting applications March 9, 2009
- Projects must be in approved TIP/STIP; NEPA completed or completion imminent
- Need approval by Dept. of Labor
- Identify procurement strategy



# ARRA Obligation Timetable

- **Formula Program**
  - **September 1:** Deadline to obligate one half of apportionment (180 days from March 5, 2009)
  - **March 5, 2010:** Second deadline to obligate funds (365 days from March 5, 2009)
  - **September 30, 2010:** Unobligated funds returned to US Treasury
- **Recovered funds will be redistributed**



## **New ARRA Multimodal Discretionary Program**

- Capital investments in surface transportation infrastructure
- \$1.5 billion competitive grant program
- Projects with significant impact on Nation, metro area or region
- Grant awards: \$20 million to \$300 million
- Up to 100% Federal share



# **New ARRA Multimodal Discretionary Program**

- Eligible Projects
  - Highway or bridge projects (Title 23)
  - Public transportation projects (Title 49)
    - Public transportation projects, including investments in New Starts or Small Starts projects
  - Passenger and freight rail projects
  - Port infrastructure investments
    - Projects that connect ports to other modes of transportation





# **New ARRA Multimodal Discretionary Program**

- **Considerations**
  - Equitable geographic distribution of funds
  - Balance needs of urban and rural communities
  - Up to \$200 million to pay Federal credit assistance subsidy costs (TIFIA loan program)
  - **Priority Projects**
    - Projects that need Federal funds to complete financing package - “gap funding”
    - Projects expected to be completed within 3 years



## New ARRA Multimodal Discretionary Program

- Statutory Schedule (Days after 2/17/09)

<i>No later than:</i>	Action Item
90 days	Publish Criteria in Federal Register
180 days	Applications Submitted
360 days	Announce projects to be funded



# ARRA Transit Formula Programs

- **Urbanized Area Formula (\$5.97 B)** – Allocated to Urbanized Areas using Section 5307 formula (Excludes Transit Intensive Cities Tier)
- **Non Urbanized Formula (\$760 M)** – Allocated to States using regular Section 5311 formula
- **Fixed Guideway Modernization (\$742 M)** – Allocated to Urbanized Areas using regular Section 5309 FGM formula – Tiers 1, 2, 3 and part of 4



# **ARRA Transit Formula Programs**

## **Transit Capital Assistance Program**

- **100 percent federal funds**
- **Pre-Award Authority**
  - October 1, 2008
- **Availability of funds**
  - 50 percent must be obligated by September 1, 2009
  - remaining 50 percent must be obligated by March 5, 2010





# **ARRA Transit Formula Programs**

## **Urbanized Area Formula Program**

- **Eligible recipients:** Public transportation providers
- **Eligible Activities**
  - **Capital Expenses consistent with 5302(a)(1)**
    - **Preventive Maintenance**
    - **Up to 10 percent ADA paratransit**
    - **Engineering and Design**
    - **Crime prevention and security**
      - **Excluding operating activities**
        - » **Exceptions – costs associated with emergency response drills and security training**



# **ARRA Transit Formula Programs**

## **Nonurbanized Area Formula Program**

- **\$760 Million**
  - Allocated to States
- **State DOT**
  - Sub-awards to sub-recipients
  - Submits program of projects
  - Applies to FTA for funds



# ARRA Transit Formula Programs

## Nonurbanized Area Formula Program

- **Eligible Subrecipients:** State, local gov't, nonprofit organizations, Indian tribes, operators of public transportation or intercity bus services.
- **Eligible Activities**
  - **Capital Expenses consistent with 5302(a)(1)**
    - Preventive Maintenance
    - Up to 10 percent ADA paratransit
    - Engineering and Design
  - **State DOT Administration**
    - Up to 15% of apportionment



# **ARRA Transit Formula Programs**

## **Fixed Guideway Infrastructure Investments**

- \$750 Million: to modernize, maintain, or improve existing fixed guideway systems
- 100 percent Federal
- Availability of funds
  - 50 percent must be obligated by September 1, 2009
  - remaining 50 percent must be obligated by March 5, 2010
- Pre-Award Authority
  - October 1, 2008





## **ARRA Formula Transit Programs**

### **Fixed Guideway Infrastructure Investment**

- **Allocated to Urbanized Areas**
  - Fixed guideway systems 7 years or older
  - Must have a threshold of at least one mile
  - Allocation made under Tiers 1,2,3, and partially 4



# ARRA Transit Discretionary Programs

- **Major Capital Investments (\$742.5M)** - FTA focussing on projects “under construction or able to obligate funds within 150 days”
- **Tribal Transit (\$17M)** - Competitive solicitation and selection using existing procedures; capital projects only
- **Energy Program (\$100M)** - Competitive solicitation and selection; based on new procedures and criteria to be announced soon



# Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER)

- **\$100 Million**
- **Grants for capital projects that either:**
  - Reduce energy consumption of the transit agency, or
  - Reduce greenhouse gas emissions of the transit agency.
- **Application Procedures** - FTA will publish in the Federal Register and post on website.



# ARRA Tribal Transit Program

- **\$17 million**
- **Eligible Applicants:** Federally-recognized Indian tribes or Alaska Native villages, groups, or communities identified by the Bureau of Indian Affairs (BIA)
- **Eligible Projects**
  - Capital Projects





# ARRA Capital Investment Grants

## Statutory Priority:

- a) “Projects that are in construction or,
- a) Are [E]ligible to obligate funds within 150 days of enactment...”



## **Capital Investment Grants: Status**

- Review of existing and soon-to-be-executed full funding grant agreements
- Cash flow needs based on pay-out schedule
- Different scenarios based on need, equity, completion of existing agreements
- Allocations to be announced shortly



# Reporting and Certifications Under ARRA

- High interest in progress and status of ARRA
- Transparency: reports posted on Recovery.Gov, available to general public
- Congressional interest in additional reporting (Oberstar/DeFazio letter)
- IG/GAO audit and oversight



## **Maintenance of Effort**

- Maintenance of effort of State funding for all modes of transportation
- Applies to funding planned from 2/17/09 through 9/30/2010
- ONE-DOT Certification required by March 19, 2009
- FY 2011 FHWA funding will be affected by failure to meet MOE for State funding





# **Project Vetting Certification**

- Projects have been vetted and are good investments of ARRA funds
- Gov't wide Requirement- must be received prior to award
- FHWA/FTA projects must be listed in STIP with ARRA as funding source



## **ACCEPTING ARRA FUNDS**

- Governor accepts ARRA funds and will use them to create jobs and promote economic health
- Applies Government wide – all agencies and programs
- Due April 3, 2009
- State legislature may accept if Gov. declines ARRA funds



## **DOT Reports to Congress**

- Reports to Congress due 90 days, 180 days, 1 year, 2 years, and 3 years after enactment
- Requires financial and progress information at project level (sub-awards and contracts)
- DOT/FTA still working out logistics



## **NEPA Reports to Congress**

- Report to Congress on status of NEPA compliance for ARRA projects
- FTA will use TEAM environmental findings to extent possible
- May require additional reporting from applicants/grantees





## FTA ARRA Support

- **Planning and Environment** - FTA Regional Office assistance available to States, MPO's, and transit agencies.
- **Grant Systems Updates** – TEAM updated and open.
- **Apportionment & Guidance** – Final apportionment of funds and grantee guidance published 3/5/09.
- **Process Streamlining** – Early assignment of grant numbers to facilitate simultaneous reviews by DOT and DOL.
- **FTA Recovery Webpage** - Robust Webpage devoted to ARRA Q's and A's.



# Questions?

\*Please contact your FTA Regional Office with your questions as soon as possible.

Webpage: [www.fta.dot.gov/economicrecovery](http://www.fta.dot.gov/economicrecovery)